

Committee Meeting

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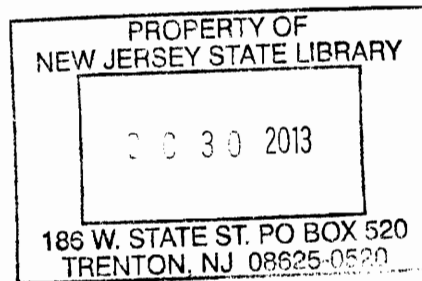
ASSEMBLY TRANSPORTATION, PUBLIC WORKS, AND INDEPENDENT AUTHORITIES

LOCATION: Committee Room 11
State House Annex

DATE: December 10, 2012
10:00 a.m.

MEMBERS OF COMMITTEE PRESENT:

Assemblyman John S. Wisniewski, Chair
Assemblywoman Linda Stender, Vice Chair
Assemblywoman Marlene Caride
Assemblyman Upendra J. Chivukula
Assemblyman Charles S. Mainor
Assemblyman Ruben J. Ramos Jr.
Assemblywoman Celeste M. Riley
Assemblyman John F. Amodeo
Assemblyman Scott Rudder
Assemblyman Brian E. Rumpf
Assemblyman David W. Wolfe



ALSO PRESENT:

Charles A. Buono
Patrick Brennan
Office of Legislative Services
Committee Aides

Aaron Binder
Assembly Majority
Committee Aide

Glen Beebe
Assembly Republican
Committee Aide

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MR. BUONO: Assemblyman Mainor.

ASSEMBLYMAN MAINOR: Here.

MR. BUONO: Assemblyman Giblin. (no response)

Assemblyman Chivukula.

UNIDENTIFIED MEMBER OF COMMITTEE: He's here.

MR. BUONO: He's here.

Assemblywoman Caride.

ASSEMBLYWOMAN CARIDE: Here.

MR. BUONO: Vice Chair Stender.

ASSEMBLYMAN JOHN S. WISNIEWSKI (Chair): She's on her way.

MR. BUONO: Vice Chair Stender is on her way.

Chairman Wisniewski.

ASSEMBLYMAN WISNIEWSKI: Present.

I believe we have a quorum.

The purpose of today's Committee meeting-- There are no bills that this Committee will consider today. There are no items of legislation on our agenda. However, we did extend an invitation -- I personally extended an invitation to the Commissioner of the New Jersey Department of Transportation; to Executive Director Weinstein of the New Jersey Transit Corporation; to Ronnie Hakim, the Executive Director of the Turnpike Authority; and to the Executive Director of the South Jersey Transportation Authority. I know we have Executive Director Weinstein here, and I will call him in a moment to talk about the impact that Hurricane Sandy had on New Jersey Transit, and the fallout from that.

I do want to point out my disappointment. I found out literally five minutes ago that Commissioner Simpson has decided not to come. He did not call before this morning. And I want to point out to everybody that this date -- I set this date after having a phone conversation twice with Commissioner Simpson, who assured me that this was a date that worked for him. When I initially had planned to have this, he had asked if I would defer because he was not ready. I extended him that courtesy. I asked him to give me a date that he would be ready. He told me that he would be here today.

I understand that exigencies come up, things happen. I do think it's a sign of disrespect to this Committee for the Commissioner to choose not to come, to make no phone call, to send no letter. I just spoke with him on the phone 30 seconds before I banged the meeting to order and he said, yes, he's not coming, but did not offer a reason.

I just wanted to put that on the record that we extended every courtesy to provide an opportunity for Transportation Commissioner Simpson to come before this Committee and discuss the impact of the Hurricane on our transportation infrastructure, which I think is an important and appropriate topic for us to review. And I'm disappointed that he would show the type of disrespect to this Committee that he has. And we will address this as we go forward.

With that being said, I'd like to invite Executive Director Weinstein to come up to the witness table.

I would assume you have an opening statement, Jim.

JAMES WEINSTEIN: Yes.

Good morning, Mr. Chairman, members of the Committee.

Thank you for the opportunity to appear before you today to outline the unprecedented damage Superstorm Sandy inflicted on New Jersey Transit.

New Jersey Transit, like its sister agencies, began monitoring and planning for Sandy days before she came ashore. Personnel were put on alert, buildings battened down, equipment marshaled based on the best available weather forecasts, historical experience, and other information. Shutting down and securing the largest statewide transportation transit system in the country is a complex and time-consuming task. It takes a minimum of 12 hours, and it must be done in a way that keeps our customers safe, our employees safe, and our assets protected. So the process must be completed hours before a storm's arrival.

I'll discuss the shutdown process further in a moment, but first I want to talk about how, despite the successful shutdown of the New Jersey Transit system, the damage Sandy inflicted on our Transit network was unprecedented. Every one of New Jersey Transit's 12 rail lines was damaged. Systemwide, more than 630 trees fell on rights-of-way, along with 23-plus miles of catenary lines and other wires. Ninety-foot catenary poles 40 miles inland were snapped in half. Nine bridges, including two major drawbridges, suffered severe damage, including one that was knocked askew from its piers when it was hit by the storm surge as well as boats set adrift in the storm. In addition, key electrical substations were destroyed, while signal and other critical systems were impacted.

The historic Hoboken Terminal and other facilities, including New Jersey Transit's main maintenance and repair facility, were flooded. New Jersey Transit also suffered damage to the rights-of-way of our three

light rail lines around the state, including flooding at Newark City Subway underneath Newark Penn Station; as well as some storm effects on our 17 bus garages.

But there is no question that our rail system took the brunt of Sandy's wrath. Altogether, we estimate the cost of curing Sandy's damage at nearly \$400 million. That includes roughly \$120 million for rail equipment, including rolling stock; and some \$280 million to fix and replace track, wires, signaling, electrical substations and equipment; as well as to cover the costs of emergency supplemental bus service and ferry service, and lost revenue. Moreover, this \$400 million does not include the \$800 million we estimate is necessary to make our Transit system more resilient in the face of future superstorms like Sandy.

Let me speak for a moment about the rail equipment. I can tell you unequivocally the decisions on where to keep and move our rail cars and locomotives were sound, based on the best weather models and forecasts, historical experience, and other information we had at the time we had to make that decision, which was mid-day Sunday when we had to launch the railroad shutdown.

When I say that, Mr. Chairman and members, I'm not attempting to shift responsibility for the decisions that were made, but rather to explain the facts on which those decisions were based. The facts are: The weather models we evaluated at the time lead us to conclude there was an 80 percent to 90 percent chance that the Meadows Maintenance Complex in Kearny and the western portion of Hoboken Rail Yards would stay dry. Our decisions were informed by the fact that neither of those locations had ever flooded -- ever flooded -- in the history of New Jersey

Transit. It is entirely wrong to characterize these particular sites as flood-prone. Up until this storm, they were not.

As I mentioned earlier, a statewide railroad is a large and complex operation. Equipment must be shifted, signal power shut off, signal boxes secured, and hundreds of crossing gates removed to ensure that roads remain open for first responders. All this takes hours and hours. Equipment is moved to places that have the strongest probability of being safe and dry.

And I must tell you, we are constrained in the number of safe storage sites available. For instance, equipment that is placed out on a rail line is susceptible to damage from falling trees and wires, damage that is every bit as destructive or could be every bit as destructive as flooding. Meanwhile, equipment also has to be placed in locations that will allow service to be resumed as soon as safe and reasonable after a storm passes. Restoring service is vital to helping our customers, to helping our citizens, and to helping our state return to normalcy. And it is essential for our economy. A rail fleet doesn't just include the cars and locomotives that are in active service. At any given time, there are a number of each that are shopped for various reasons. Most of the equipment that ended up being damaged at the Meadows Maintenance Complex was already there, awaiting inspection, routine maintenance, or repair. That is what the MMC is for. And much of that was inside -- much of that equipment was inside the large, hanger-like buildings at the MMC to increase protection from the storm. So all those factors go into equipment movement and storage decisions. And those decisions must be made long before a storm's actual landfall. In this case, we had equipment stored at more than two

dozen sites across New Jersey, in New York, and Pennsylvania. Sandy's speed and intensity both increased during the day Monday as she approached the coast. Her fickleness created extraordinary damage for New Jersey Transit and for citizens of our coastal communities.

The bottom line is: Our decision-making process was sound. It was based on the best information available at the time. However, with that said, we know that faced with a superstorm again, this area is susceptible to flooding. Clearly, this experience will contribute to our future decision making on equipment location.

Now, let me turn to our recovery efforts. New Jersey Transit staff, in full coordination with Governor Christie's Office, continues to work with the Federal Transit Administration, FEMA, Amtrak, private industry, and our insurance adjusters on all aspects of storm recovery. In the immediate wake of the storm, we created new bus and ferry service that carried literally thousands of commuters to and from New York while emergency repairs were made to the rail system. Rail workers fixed washouts; restrung power lines; removed trees, utility poles, and even boats from the rights-of-way -- and did so in record time. Thanks to their dedication, I'm proud to report that New Jersey Transit's 12 rail lines are running more than 90 percent of full service, and that we are back to full pre-hurricane service levels on our bus, light rail, and Access Link paratransit modes.

I also want to express my thanks to the hundreds of thousands of daily customers for their patience and understanding while New Jersey Transit and, indeed, the entire State of New Jersey continues to rebuild after this storm. Although the storm (*sic*) has returned to near-normal for

our daily customers -- although the system has returned to near-normal for our daily customers, repairs are continuing and will go on for a number of months. Transit infrastructure and equipment is complex. For example, two of the electrical substations that were submerged and destroyed by Sandy's flood waters will take months to replace. There are no off-the-shelf replacements for such units. New substations have to be designed and built from scratch, a process that will take six to nine months. Until one of these substations is restored, we can only run diesel service in and out of Hoboken, diminishing our ability to serve the more than 30,000 customers who go through that terminal daily. Another substation provides the power for the Meadows Maintenance Complex in Kearny, New Jersey, and for our rail operations center, which is co-located with the Complex. The Maintenance Complex, as I said, is our main site for inspection and repair of rail cars and locomotives. We are now using generators to provide limited electric power, but this constrains our ability to work there. The rail operations center is the central nervous system of the entire rail network, controlling dispatching, track switches, and the like. And it, too, is now operating on generator power. On these and other repairs, we are working diligently with our suppliers and outside contractors to get new equipment. As I mentioned, in some cases, such as the electrical substations, this requires actually designing and manufacturing new units from scratch.

Mr. Chairman, it is also vital that we look to make our system more resilient to future storms as we go about repairing our Transit system. We should not -- and in many cases cannot -- simply repair substations, maintenance facilities, and other infrastructure to their previous state. Money invested in preventing future storm damage will limit the bill for

future storm relief, as well as ensuring that our Transit system will have a better chance of avoiding service interruptions.

For example, with the electrical substations, New Jersey Transit is looking at such steps as moving them out of harm's way or elevating those that cannot be moved to be above the level of superstorms, not just 100-year storms.

Finally, Mr. Chairman, we appreciate your Committee's interest in this issues and look forward to your support in our efforts to repair, rebuild, and reinvest for a more resilient public transit system that will resist future superstorms and support economic growth and prosperity in our state.

I thank you, and I'd be happy to answer any questions.

ASSEMBLYMAN WISNIEWSKI: Thank you, Mr. Executive Director. I appreciate your taking the time to be here with your staff this morning.

I want to make it clear at the outset that the reason we're having this hearing is that this Legislature is going to be called upon at some point in the not-too-far-distant future to address Superstorm Sandy in a variety of ways: financially, from a policy perspective. And members of this Committee, members of the Legislature need to have an understanding of the decision making that occurred as a result of that storm. We need to understand the things that went well because we'd like to replicate them. We need to understand those things that didn't go so well because we want to make sure we avoid them. And on that note, we all have to acknowledge that this was a storm that, in many respects, across this state we have-- We have all lived through hurricanes in New Jersey. It's part of our annual fall

exercise. And we are used to those reports that say, "This is going to be a very bad storm and we need to be prepared." And perhaps sometimes we don't take those warnings to heart as well as we should. So we need to understand what are the things that we need to do better, not because we want to hurl accusations at anyone, but because we want to protect our transportation system and learn from this storm to make it better going forward.

So in that regard, I think the first question I'd like to ask is: What is the establishment within New Jersey Transit for emergency planning? Do you have an organization? Do you have a group of people whose job it is to assess the infrastructure of New Jersey Transit and prepare for emergencies?

MR. WEINSTEIN: Yes, Mr. Chairman.

Just let me say that we share the goals that you just enumerated. We find going through events like this -- that we learn from them. And if we don't learn from them, shame on us.

In terms of our emergency management process, Mr. Chairman, for some time now, New Jersey Transit has had a process (*sic*) that is headed up by an emergency management process that is part of the overall emergency management system in the state. We have people dedicated on our police force who specialize in this. They specialize not only in sort of the emergency management, but they specialize -- they've gone through special training for what's called *integrated command*. We work with-- In the overall emergency management process, we work within the framework of the State emergency management process -- which I think everybody will

acknowledge, under the Governor's leadership, seemed to work very well in this worst storm in the memory of any of us.

But we do have a process. We have a special operations center that went into -- that started in operations actually on Friday, as I recall, and into full operation on Saturday. It has stayed in operation and, frankly, continues in a more limited way, but it continues to be in operation. And during that entire time, there are representatives of not only the police department there, who are emergency management trained, but also representatives from each of our business lines -- the rail, the bus, light rail, the finance folks. All of those people are integrated into it.

In terms of the overall assessment of what we do, we go through this -- all of these folks have gone through training. We've gone through-- An awful lot of our senior managers and frontline managers have gone through training at the Texas Engineering Institute at Texas A&M, which is a nationally recognized expert in both security and storm event recovery. So we've gone through that.

And I think mostly importantly, Mr. Chairman, with that training -- which is ongoing; it's not something you do once. But with that training, after every event we do a post-event after-action analysis. And from that analysis, we develop -- we learn what we did well, what we didn't do so well, what changes we need to make. And I would suggest to you that -- I would point out to you that as a result, for instance, of Hurricane Irene last year -- a year ago -- when there was huge flooding in Trenton, we have-- Our second largest maintenance facility is in Morrisville, Pennsylvania. It's on the Northeast Corridor, just south of Trenton. It's the second largest facility. And last year, during Irene, we stored a huge amount of equipment

there. And as a result of the flooding in Trenton -- while the equipment didn't get flooded, the Northeast Corridor was flooded and all of that equipment that we had in Morrisville was stranded. So we had these stranded assets there, and were unable to get service back as quickly as possible because those assets were stranded. So based on that, we said we need to be sensitive to that. We made some adjustments. We looked at where we could put equipment. And frankly, as I mentioned in my statement, we put equipment at more than two dozen locations around New Jersey and throughout the state.

ASSEMBLYMAN WISNIEWSKI: Lets focus specifically on the efforts by New Jersey Transit. Is there a-- It sounds to me -- and I'm willing to hear your response -- it sounds to me that the New Jersey Transit emergency planning is a group of people who all have training and credentials, no doubt. But they do that in addition to their normal duties. Is there a person-- In my home town there is an emergency management coordinator. And his job is to make sure that there is planning for all of the contingencies in an emergency. Do you have a person whose full-time job it is to organize and plan for events like Sandy?

MR. WEINSTEIN: I'm sorry, I didn't answer that question as directly as I should have.

Yes, Mr. Chairman, we do have a person. We actually have four people in the emergency management section of our police department. It's headed by Captain Robert Noble, and Sergeant Robert Gatchell is the second in command. They have extensive training, and they drive our whole emergency management process.

ASSEMBLYMAN WISNIEWSKI: And that's their only function? Sergeant (*sic*) Noble, I think, was also doing other police duties as well.

MR. WEINSTEIN: When?

ASSEMBLYMAN WISNIEWSKI: During the year.

MR. WEINSTEIN: No, I mean, he is in the-- Let me just--

CHIEF CHRISTOPHER TRUCILLO: (speaking from audience) If I may--

MR. WEINSTEIN: This is Chief Trucillo.

CHIEF TRUCILLO: Good morning, Mr. Chairman, Committee members. I'm Christopher Trucillo. I'm the Chief of Police at New Jersey Transit. And Captain Noble and Sergeant Gatchell are under my charge.

Captain Noble, Mr. Chairman, is the commanding officer of our Special Operations Division, and the emergency management section is one section within the Special Operations Division.

ASSEMBLYMAN WISNIEWSKI: So his full-time responsibility is planning for things like Sandy? Special Operations sounds, to me, like it encompasses other functions.

CHIEF TRUCILLO: There are three core functions within special operations emergency services, which are our ESU officers, our K-9 Unit, and our Office of Emergency Management. And the Captain's -- a good bulk of his time, along with Sergeant Gatchell and two police officers who are assigned full-time into the Office of Emergency Management, is to run exercises, drills, and prepare emergency plans.

Just by way of example, over the course of a normal year at New Jersey Transit, we fully run six to seven full-scale exercises across the state with our partners -- not only state partners, with local partners. And in terms of tabletops, we probably do in excess of 50 to 60 tabletops with partners a year, specifically for the emergency management function; in other words, a manmade or natural disaster that could possibly affect New Jersey Transit.

ASSEMBLYMAN WISNIEWSKI: And I know Captain Noble. He's a great law enforcement professional. Are there operations folks from the rail and bus operation side who collaborate with Captain Noble in doing the emergency planning, or is he just doing it from a law enforcement perspective?

CHIEF TRUCILLO: We do it from a law enforcement perspective in conjunction with folks from the different business lines. The Executive Director mentioned our partnership and relationship with TEEX, which is the center of excellence out of Texas A&M, which came in the aftermath of 9-11 to prepare public agencies to respond to natural disasters and man-made disasters.

I believe, Mr. Chairman, it was within five to six weeks prior to the Sandy event that we had sent a team of New Jersey Transit employees -- not just police employees, but bus employees, rail employees, mid-level management folks from all the different business lines -- down to a training program so they could learn how to run a unified command, so they could learn how to integrate, so they could learn how things like *unified command*, and *logistics*, and *finance* have to come together in the aftermath of an incident. And as unfortunate as Sandy was, we were in a better position, in

my opinion, as an agency to work together -- interdiscipline within Transit -- as a result of having that training.

ASSEMBLYMAN WISNIEWSKI: Chief, how many tabletops, or demonstrations, or exercises occurred with regard to flooding, hurricane preparedness? Most of what I understand is emergency preparedness, at least in the post 9-11 world -- is there is a very serious focus on terrorists, there is a very serious focus on intentional destruction of public property. How much of that is specifically geared toward a massive hurricane hitting the northeast coast?

CHIEF TRUCILLO: We have worked with our partners on hurricane planning, with the ROIC here in Trenton. But you're right, Chairman. A large portion of the tabletops and exercises do come around man-made incidents like active shooter or terroristic events.

But I will give you an example. We had a top management exercise within Transit. I'm not sure, but it was this year. And we didn't pick a terrorist event to exercise with our senior leadership. We picked a blackout scenario, which is a natural disaster from a grid perspective, if you will. So we're cognizant of that balance between natural disaster as well as a man-made calamity.

ASSEMBLYMAN WISNIEWSKI: Chief, would you agree that in the wake -- and you're talking about lessons learned from the hurricane. Would you agree that in the wake of this hurricane, we probably ought to, as a matter of policy, have your police department -- along with the operational folks at Transit -- perhaps spend more time running tabletops about flooding, and trees down, and catenary down?

CHIEF TRUCILLO: I absolutely agree, Chairman. As we experience different things-- I was with the Port Authority on 9-11, and that was a game-changer, if you will. And our focus had to go in a different area. And in my lifetime -- I've not seen a storm of this magnitude in my 34 years in law enforcement within the State of New Jersey.

But, yes, it's my responsibility to direct our efforts now, moving forward, to look at the what-ifs. Because we're getting storms and water levels that we've not seen in our lifetimes.

ASSEMBLYMAN WISNIEWSKI: Thank you.

Mr. Executive Director -- and also just to you -- understanding that you have an emergency management protocol run through your police department, would you agree that, going forward, given the scope and the size of the storm-- And you and I had a telephone conversation about what happened in moving the rail cars to Morrisville at the last storm -- and this was perhaps the case of from the frying pan into the fire. We tried to avoid one problem and therefore there was another problem that was unanticipated. Would you agree that having your rail ops, your bus ops folks more directly tasked with, "What do we do with our infrastructure when we have another storm," would be a good idea?

MR. WEINSTEIN: The easy answer to that question, Mr. Chairman, is yes. But I don't want to leave the impression that our rail folks or our bus ops people are not engaged in that. We, in fact, have some very specific plans on both the rail and bus side. For instance, on the bus side, we have a couple of facilities that are prone to flooding. One of those is in Oradell. Oradell we evacuated five times last year, Mr. Chairman -- five times. And we evacuated Oradell in anticipation of this storm. And

guess what? There was no flooding. And we're grateful for that; but we had to move a couple of hundred buses out of there to a shopping center parking lot in Paramus that we have as a fallback.

There was a very detailed plan compiled by the railroad, not on the Friday before the storm but in the wake of Irene, on where to put equipment in the event that we faced another hurricane situation. So this is not something that either of those-- The leadership in both of those organizations take this seriously and they prepare plans in terms of integrating the reaction at the time of the event. We work with Captain Noble's organization.

ASSEMBLYMAN WISNIEWSKI: Last question on this issue -- and I will let some of my colleagues here ask questions as well. How frequently -- outside of sitting with Captain Noble and the New Jersey Transit police department -- how frequently do your rail and bus ops folks sit down and go through an exercise and say, "Okay, we have a 10-foot tidal surge coming. What do we do?" What is the history of preparing for something like that -- or a hurricane? Let me just take the specific -- tidal surge. "We have a hurricane coming. What do we do?" How often do they sit down and practice that?

MR. WEINSTEIN: We do after-action exercises, Mr. Chairman, after an event like this. And we have initiated that process in the wake of Sandy. I can't tell you that six times a year the rail folks or the bus folks-- I will check on that and be happy to check on that and get back to you. But clearly we will probably be focused on that in the future if we have not been.

But, again, I don't want to leave the impression that the reaction, and the planning, and all of that doesn't happen until moments before an event. The plan that was developed for the relocation of equipment is something that was put together by the railroad months before the action. And they have lengthy conference calls on where the equipment is going, and who is responsible for it. It's all documented and detailed.

ASSEMBLYMAN WISNIEWSKI: But would it be fair to say that the planning -- and I'm not disputing at all the planning, and I'm sure it's gone on -- but the planning did not contemplate a storm like we had?

MR. WEINSTEIN: I would say, Mr. Chairman, that nobody contemplated the storm that we had.

ASSEMBLYMAN WISNIEWSKI: Thank you.

Assemblyman Ramos.

ASSEMBLYMAN RAMOS: I appreciate you coming here today, Mr. Weinstein; I appreciate your testimony this morning.

Since the time of the storm, I think in my office -- I know we received alternate reports as far as weather goes; and preparedness as far as the Meadows and the Hoboken Station, as far as storm surge flooding goes. Were you guys aware of those reports as far as the potential flooding for those two sites? I know you stated earlier that you've never had flooding in the Hoboken Station before. I've lived in the Hoboken flood zone for 39 years of my life, and I've never had a flood like this in my neighborhood. I've lived in a flood zone my entire life. But this was a different storm. We all knew this -- at least my neighborhood treated it like a different storm. Normally, people leave cars on their streets. My block doesn't normally

flood. Everyone moved their cars. So I guess we used other options. It's almost common sense. "This is different. We're probably going to get water in places we never had water before." We moved our vehicles off the street.

I guess what my constituents keep on asking is: Why didn't Transit have almost the same common sense? I guess, do you guys have the options to go to other areas as we plan in the future for storms like this, or a storm surge storm, or a rain-related event like Irene was? As we prepare the next step -- as our preparedness goes-- What are our options to hide our assets, to protect our assets in the future?

MR. WEINSTEIN: First of all, Assemblyman, I think that -- through you, Mr. Chairman -- that the purpose of an after-action report is to learn from an event. Frankly, I wish I had had the foresight and the understanding to know that a yard in the Meadows in Kearny, that the western part of the yard in Hoboken which had never flooded before was going to flood, but I didn't. We now know that under the right circumstances, they are prone to flooding. So we are going to have to develop a situation--

And I think if you go back and look at the development of the storm-- The storm, as you all recall, was a very slow-moving-- And it was always -- the Weather Service always predicted it to be a huge and devastating storm. There's no question about that. But it was a slow-moving storm. It was a storm that was going to be a major rain event. And based on those, we made decisions.

What happened was, the dynamics of the storm changed; and the dynamics of the storm changed after we shut down the system. And it

took us 12 to 15 hours to shut down the system. It's a very complex undertaking, and it involves a huge number of employees and people in doing that. But it also takes 12 to 15 hours, in the best of circumstances, to get it up and running again. So I would say to you that our common sense is informed by this event, which none of us in my lifetime -- and I'm looking around the room and suggest mine is longer than anybody else's -- but in my life time, and as somebody who has spent summers at the Jersey Shore growing up -- in my lifetime, we've never seen a storm like this; we've never seen the devastation. But we've seen it now. We understand. Sandy fooled us once. No Sandy in the future is going to fool us again.

ASSEMBLYMAN RAMOS: That goes to the second part of my question. The options for the future-- If an event occurs like Sandy, what are your options to put your assets in other places? Do they currently exist right now in your system?

MR. WEINSTEIN: We're going to have to make sure they exist, Assemblyman. We're going to have to-- There were places along our right-of-way in which we stored equipment that was not subject to downed trees and downed wires. And we put some equipment in those spots. So we're going to have to-- The railroad is in the process now of identifying options in the future. As we go through the after-action, we will identify options in the future. But we don't have those now, and we need to develop them.

ASSEMBLYMAN RAMOS: I guess I will ask this question on behalf of my wife and all my neighbors who use the PATH Station to and from work every day: What is the status of the PATH Station from Hoboken to New York City returning in the future -- the timeframe on

that? I know there was a lot of damage to the electrical switches that took place there. But is there a timeframe?

MR. WEINSTEIN: As you know, the PATH system is owned and operated by the Port Authority of New York and New Jersey, and so our folks aren't working on it. But we've worked closely with the Port Authority in trying to serve, frankly, a lot of residents of your home community and get them to mid-town Manhattan. We've got the ferry service up, we're running the 126, we're still carrying 5,000 or 6,000 extra people a day on that, and many of them are people -- are residents of Hoboken who are walking to the bus stop on Washington or Willow. So I think we're all hopeful that the Port Authority will have PATH up and running before the end of the year. But I'm sure you've seen the-- I had the opportunity to do a tour of that site with Secretary of Transportation Ray LaHood. I had an opportunity to do it with the Vice President of the United States when he came in. The devastation, the water, the penetration of that tunnel-- And it's an old system. Salt water and electrical components do not make a great marriage.

Hopefully we're going to see something by the end of the year, but it's not an easy fix. And I know the Port Authority is working around the clock. I mean, there are literally more than 100 workers in those tunnels trying to get the PATH system up and going again.

ASSEMBLYMAN RAMOS: One area that I was really impressed with was the speed of the light rail lines running again pretty quickly after it was under six feet of water -- I know in the western part of Hoboken. How much of the light rail was affected along that line? You guys brought that up pretty quickly.

MR. WEINSTEIN: Actually, in terms of infrastructure damage, the damage done to the Hudson-Bergen Light Rail Line was the worst. But fortunately it was damage that was easily, readily available and readily repairable. Our folks at New Jersey Transit and the contractor -- 21st Century Rail -- and their folks did a great job bringing the system back and operating.

ASSEMBLYMAN RAMOS: How much was under water? Was it just the Hoboken area, Bayonne area, some parts of Jersey City, Weehawken?

MR. WEINSTEIN: No, there were washouts. There were also substation problems down in Bayonne. It was a while before we could actually -- a little bit longer to get the service all the way down to 8th Street in Bayonne -- or 8th Avenue in Bayonne, and getting it north. But they got to work on it as soon as they could. I forget exactly. But within four or five days after the storm subsided we were able to get it operating. And, frankly, that was fortunate because it provided some viable alternatives to folks, for instance, to take the light rail line from Hoboken Terminal to the Pavonia/Newport Station in Jersey City, where they could get on the PATH system into midtown Manhattan. So we were fortunate. And it's amazing how much hard work makes good luck.

ASSEMBLYMAN RAMOS: My last question, Mr. Chairman, if I can.

ASSEMBLYMAN WISNIEWSKI: Sure, Assemblyman.

ASSEMBLYMAN RAMOS: Regarding the 126 Business -- many complaints from the northern residents of Hoboken saying that a lot of the times when the bus gets there it's already full or at capacity, and it's

just bypassing them all together. So my suggestion would be -- their suggestion actually to me, for you today -- was to just run a couple of empty buses to the northern part of Hoboken so that way you have some-- I know it's been done on occasion in the past. But if you could, just run a couple of buses to the northern end of Hoboken so that way it's not at capacity and those residents could get into New York City in a fair amount of time.

MR. WEINSTEIN: I appreciate your counsel on that.

ASSEMBLYMAN RAMOS: Thank you.

MR. WEINSTEIN: We'll get on it.

ASSEMBLYMAN RAMOS: Thank you.

ASSEMBLYMAN WISNIEWSKI: Thank you, Assemblyman.
Vice Chair Stender.

ASSEMBLYWOMAN STENDER: Thank you, Mr. Chairman.
Good morning.

MR. WEINSTEIN: Good morning, Assemblywoman.

ASSEMBLYWOMAN STENDER: How are you, Jim?
Welcome.

MR. WEINSTEIN: I'm great. It's good to be here.

ASSEMBLYWOMAN STENDER: Thank you.

And thank you, Chief, also for being here.

First, for the benefit of my constituents, the Raritan Valley Line is still running on a limited schedule. Can you speak to what that prognosis is?

MR. WEINSTEIN: I actually-- We are constrained--

I guess, Mr. Chairman, with your permission, what I'd like to do is have-- Kevin O'Connor is the General Manager of our railroad. I think he can speak in some better detail on this, Assemblywoman.

Kevin, could you come up?

KEVIN O'CONNOR: Yes, I'm Kevin O'Connor. I'm the Vice President and General Manager for Rail Operations for New Jersey Transit.

As far as the Raritan Valley Line, one of the issues and concerns that we've had is the ability for equipment -- readily available equipment. We are actually -- I just got done with a conference call this morning. It looks like we will have enough equipment in place to begin normal operations on the Raritan Valley Line beginning next Monday, a week from today, so that schedule should change.

ASSEMBLYWOMAN STENDER: Well, that's very good news. Thank you.

MR. O'CONNOR: You're welcome.

ASSEMBLYWOMAN STENDER: I appreciate that. And I do thank all of you. I know that everybody has been really working hard and that there is enormous dedication to the system and to the service that you're trying to provide.

I do have some other questions for you, Mr. Weinstein.

Back in March it was reported that New Jersey Transit declined to have climate change consultants do an analysis. They were told to skip it on the train and engine equipment. Are you aware of that report, and can you speak to that?

MR. WEINSTEIN: Basically it was a study to determine a study. It was sort of the beginning of a process. And I think that the

response and the decision that was made at the time was that if we understand the vulnerability of our properties where we store equipment-- The way you deal with equipment is to move it to places where it's not vulnerable. So I'm not quite sure what a consultant would have told us other than, "This facility is in harm's way. You need to move it out of harm's way."

ASSEMBLYWOMAN STENDER: I guess my concern is that I don't understand why a decision like that was made. Apparently other agencies are, in fact, planning and evaluating because the studies that are available include very detailed topographical mapping that can tell you what areas are most vulnerable in a storm surge. Storm surge is certainly considered to be part -- or one of the big risks for our coastal region in New Jersey. And apparently the Port Authority has done similar studies.

It really seems to me that that was a very bad choice to have skipped something like that, because that might have, in fact, given you the information to know that that stuff couldn't -- that that equipment couldn't stay.

MR. WEINSTEIN: We did not skip the study. We actually executed the study. The only thing that we didn't do in that study was an analysis of the actual equipment. We did an analysis -- the beginning of an analysis on the facilities so that-- And the reason we did that was because if you determined that the Meadows Maintenance Complex, for instance, is flood prone, then what you -- that informs your decision not to keep equipment there. But we actually have done-- That study is actually complete. I've seen a copy of it, although I confess I have not studied it. But I don't want to leave the impression that we just said, "No, we're not

going to do that.” That’s not what we did. We did the study. We just concluded that the way you address the equipment problem, the rolling stock problem, is by moving it. And that’s the only thing.

ASSEMBLYWOMAN STENDER: But would not a study like that have shown that there -- in a mapping scenario that that facility was going to be vulnerable and that that equipment should have been moved?

MR. WEINSTEIN: Actually, Assemblywoman, that study showed -- concluded that we had as much as 20 years to start making -- to adapt to the climatological changes that are taking place.

I just go back and say this: It was the worst storm in my memory and in our generation.

ASSEMBLYWOMAN STENDER: Perfect storm, yes.

MR. WEINSTEIN: And the reality is that there is no history of flooding at the Meadows Maintenance Complex. Now, I know everybody says it’s in a flood zone. It’s not. The western part of Hoboken Terminal is not in a flood zone.

Now, having said that -- and I will repeat once again -- having said that, we are informed. We now know that under circumstances like Sandy, that’s going to flood. So we have to come up with a better idea.

ASSEMBLYWOMAN STENDER: Well, I understand that you have that awareness now, and I do appreciate that. But I would just point out that the kinds of resources that are available, and apparently can well-inform those kinds of decisions and choices, are certainly out there between what the EPA has been doing and the mapping they’ve been offering. And we have our own center at Rutgers that does all this study of topography and modeling. And I would really recommend that this is a dimension that

has not been properly acknowledged as you go forward, and that you revisit that issue. Because the fact that it happened means that there was a possibility out there that it could happen and somebody didn't see it.

Thank you.

ASSEMBLYMAN WISNIEWSKI: Assemblyman.

UNIDENTIFIED MEMBER OF COMMITTEE: Thank you, Executive Director, for being here to answer our questions.

Much has been made over the damage done to the rail system, and particularly the rail cars and the engines. Were any of those rail cars or engines actually destroyed?

MR. WEINSTEIN: No, there were some 300-plus that were damaged, but they're all repairable, and we are in the process of repairing them, Assemblyman.

UNIDENTIFIED MEMBER OF COMMITTEE: And a moment ago your director of operations alluded to the Raritan Line being up and running next week. Would that include some of that equipment that you're repairing?

MR. WEINSTEIN: Actually, it would-- It might include one or two of the diesels that have been repaired, right?

MR. O'CONNOR: Yes, it will include some of the diesels that have been repaired, as well as some of the coaches that have been repaired, as well as some new coaches that we're getting from Plattsburgh, New York -- cars that we had purchased previously that are just getting ready now to come down.

UNIDENTIFIED MEMBER OF COMMITTEE: The \$400 million figure that has been thrown out there is somewhat astounding. But tell me, is there insurance to cover any of this loss?

MR. WEINSTEIN: We believe -- and we're working with the adjusters, we're working with the insurance companies. I mean, it's a full-time endeavor for some of our folks. But we believe that virtually all of the damage that was done to the rail cars and to facilities which are covered by insurance will be paid for by insurance. What's not covered by insurance are things like the actual rail and that kind of infrastructure. It's a little like when you buy home insurance, you buy insurance for the improvements, but not for the land. We think that-- We're hopeful that in the effort to work with the Governor's Office, and with FEMA, and FTA, and U.S. DOT that we will get reimbursed on a lot of those costs as well. I was in Washington last Thursday before Senator Lautenberg's Committee, and there is strong support there; as was the Governor -- not before the Committee, but in Washington. And we believe there is strong support. And we're hopeful that virtually all of these costs will be covered.

UNIDENTIFIED MEMBER OF COMMITTEE: Would that include the manpower costs, which I assume are substantial?

MR. WEINSTEIN: Yes, manpower -- that's part of the cost of repair. And I believe -- I don't pretend to be an expert on FEMA rules and regs, but I believe that much of the sort of emergency -- the first responder costs are, in fact, covered. We, through FEMA and FTA, managed to secure some 223 buses from outside of the area -- you may have seen some of them in your areas -- to provide alternate service to our customers. And that's 75 percent reimbursable by FEMA.

It's a complex undertaking. Starting last Monday and continuing this week, we have a team of FEMA experts, we have a team of FTA, what are called, *PMOCs* -- program management oversight consultants -- who are vetting the costs, who are going to be testing them, and going through this and understanding the damage that was done to our system. We have a team of folks, both in the police department -- who are the prime liaisons with FEMA-- We have folks from the railroad; we have folks from our capital, and engineering, and construction management all participating in this exercise not only so -- to make sure we have this pinned down to the maximum extent possible.

And we are optimistic that we're going to be successful, based on the past on how we've dealt with this. The one part of this, I think -- again, that I mentioned in my statement -- is that it's not just enough to make the system like it was yesterday.

And I think, Assemblywoman Stender, this goes to your point. It's not good enough to just make it like it was yesterday. We have to recognize that there is a new tomorrow and we need to take steps now, as we're making the repairs, to make sure that we're protected not only in terms of plans, but in terms of, like, elevating substations that power our systems. Forty percent of our system is electrified -- the part of the railroad that we run, not the Northeast Corridor -- the part of the railroad that we run -- 40 percent is electrified, 60 percent is diesel. We need to protect about this so that some future -- hopefully some future executive director of New Jersey Transit can come before a future version of this Committee and say, "No damage."

UNIDENTIFIED MEMBER OF COMMITTEE: Final question, if I may, Mr. Chairman. (affirmative response)

Do you anticipate any kind of immediate rate hikes to cover your costs in connection with this event?

MR. WEINSTEIN: Absolutely not. There will be no fare increase to cover the costs. We believe all of those costs will be covered by other means -- insurance, FEMA reimbursement -- period.

UNIDENTIFIED MEMBER OF COMMITTEE: Thank you.

ASSEMBLYMAN WISNIEWSKI: Thank you.

Assemblyman Chivukula.

ASSEMBLYMAN CHIVUKULA: Thank you, Mr. Chairman.

Just along the rate increases -- you're definitely assuring that there won't be any rate increases even though the insurance companies, once they cover your damages, are going to hike up your premiums.

MR. WEINSTEIN: There will be no fare increases, Assemblyman.

ASSEMBLYMAN CHIVUKULA: For how long? This is a question that could--

MR. WEINSTEIN: For as long as I am Executive Director, Assemblyman.

ASSEMBLYMAN CHIVUKULA: I don't know how long that will be.

MR. WEINSTEIN: Nor do I, sir. (laughter)

ASSEMBLYMAN CHIVUKULA: Don't answer that.

ASSEMBLYMAN WISNIEWSKI: Through the end of the year at least. (laughter)

MR. WEINSTEIN: Assemblyman, that's what you call a *softball*. (laughter)

ASSEMBLYMAN CHIVUKULA: That's okay. We are in the football season.

I read a lot about New Jersey Transit losing one out of four cars as compared to MTA. They lost only 22 cars. They have a fleet of more than 8,000. And I'm sure they have -- they're geographically next to us -- next to New Jersey. Why is it that they did not suffer that kind of damage, and why we suffered much bigger damage?

MR. WEINSTEIN: I have not studied-- I am aware of those statistics that you're talking about. I haven't studied the Metro North situation and what they did that we didn't do -- if there were things they did that we didn't do. All I can tell you is that last year, in Hurricane Irene, Metro North lost about 20 miles of railroad on the Port Jervis Line, which we operate for them under contract. It took seven months and tens of millions of dollars to replace. We didn't lose any right-of-way last year. So I think that if there is-- There is good communication among railroads, there is good communication among agencies. We worked very closely with the Port Authority, we worked very closely with MTA in this. And if there are things we can learn from them, we will learn from them. We meet at the highest levels of the railroads -- we meet on a regular basis. And Kevin does not hesitate to call up the President of Metro North or the President of the Long Island Rail Road to say, "What did you do?" I would suggest to you that they're different railroads, they're different circumstances. And to make that comparison -- I'm not in the position to do that now. I think that they should be grateful for their good luck.

ASSEMBLYMAN CHIVUKULA: Given the enormity of the forecast of the storm, were you able to engage any outside agencies for help because-- You relied solely on the internal agencies?

MR. WEINSTEIN: Assemblyman, I'm sorry, I'm not sure--

ASSEMBLYMAN CHIVUKULA: I'm trying to get help in terms of some of the forecasts -- that Hurricane Sandy forecast -- "It's going to turn left, going to be a wide area, it's not just going to be around the hurricane eye wall, it's going to be slow-moving." It's beyond what you have been able to handle as compared to Hurricane Irene. Did you ever feel that you needed to reach out to other outside agencies to ask for help?

MR. WEINSTEIN: I'll ask the Chief to address it in some detail, but I would suggest to you that it was not only New Jersey that got slammed around on this, but it was the entire State of New Jersey and the whole New Jersey-New York metropolitan region. So I realize this is the Transportation Committee, but I think when you look at it overall-- I mean, this is unprecedented damage, unprecedented storm, and the answer to your question, briefly, is that we do consult with outside sources.

I'll let the Chief give some detail on that.

CHIEF TRUCILLO: In an emergency situation that was beginning, as it was with Sandy-- We're part of a consortium, and we have a presence in the Regional Operations Intelligence Center, as I mentioned, here in Trenton. And two of the best resources we have are the National Weather Service up here in the North and also from Mount Holly. And we participate in -- as county OEMs throughout the state did, as the State OEM did, Transit OEM did, Port Authority OEM did -- webinars and briefings given by the National Weather Service, and we felt confident that

we, like every other entity within the state, were plugged into this high-level briefing about what to expect as the weather was progressing. But as the Executive Director mentioned, the thing that made it a little bit more problematic for us in terms of our rail was we needed 12 hours to shut down what we needed to shut down; to remove catenary and gate crossings for our first responder partners, who knew in a difficult situation they need to respond into communities and can't have gates in the way. We didn't have the luxury of waiting right until Sandy hit us. And I think that's the important point to remember.

But, Assemblyman, to speak directly to you, we do not hesitate. And we understand that in things like a pending hurricane, we're looking outside for the best information available for our experts internally, in conjunction with our State partners and local partners, to make the best decisions we can. And we did it in this case.

ASSEMBLYMAN CHIVUKULA: Thank you, Chief.

One of the things I read in the papers was that you were told the Kearny area would be flooded and you had moved some railroad cars which cost -- estimated damage of \$300 million. Why was that? I mean, if you are told that -- because forecasted flood levels from the area were supposed to be about 6.2 feet because of the surges that occurred as a result of the storm.

MR. WEINSTEIN: We were not. Based on the projections we had-- And, again, I say to you -- I repeat what the Chief said. Understand that these decisions that we have to make are being made Sunday morning, literally 24 hours before -- even more than 24 hours before the storm comes ashore and probably close to 18 hours before it hits this part of the state.

But having said that, the decision we made on where to locate equipment was affirmed based on our evaluation of the reports that we got, which indicated that there was an 80 percent to 90 percent likelihood that they would not flood, which I will acknowledge is a 10 percent to 20 percent likelihood that they will flood. But 80 percent to 90 percent is -- for a facility and for property that's never flooded in the history of the railroad. It's not like it got flooded 25 years ago, and we ignored 25 years ago and did it. It has never flooded. Never, in the history of the railroad, has it flooded.

So having said that, as the storm developed the dynamics of it changed. And frankly, until the flooding actually started, Kevin and I were out at the Meadows Maintenance Complex at about 5:00 p.m. or 6:00 p.m. on Monday evening. And the storm was on its way -- it was there, actually. And there was no flooding. There was no indication of flooding. The surge happened. The elevation of that property is about 10 feet. So a surge of 6 feet, I would suggest to you, reinforces what I'm telling you -- which was there was an 80 percent to 90 percent chance that it would not flood.

Now, I say that -- and I'm a little bit-- I know there is some sensitivity that we're somehow trying to shift blame on this, and I'm not. I am telling you-- It seems to me it's my responsibility to give you the facts of how we came to the decision that we made and why we made those decisions. The facts are that the information we had at the time we had to make the decision -- which was early Sunday -- late Sunday morning, early Sunday afternoon -- that there was an 80 percent to 90 percent chance that it would not flood. That, combined with the historical fact that it had never flooded in the past since New Jersey Transit was formed, led us to

conclude that we had put the equipment where it ought to be located. It turned out differently. We're a lot wiser now, as a whole lot of people are, than we were then. If we knew then what we know now, that equipment would not have been there, but we didn't.

ASSEMBLYMAN CHIVUKULA: I don't want to leave you with the impression that I'm saying you're hiding something. That's not the intent. I was trying to understand what series of events took place for your decision-making process. And did you have the right expertise -- advice that you got to make the decision that you made. That's what I was trying to find out. Because it is a tremendous loss. Nobody expected this hurricane to be a superstorm. I mean, we all understand that. I think we do have a responsibility to the people who are tremendously affected by that, and we have to ask you the questions. And there is a tremendous amount of information written in the newspapers and the media talking about -- saying that you had the information and you ignored the information. That's what the media reports have shown. And we have to ask you that question. We have a responsibility to ask you that question.

MR. WEINSTEIN: I not only acknowledge your responsibility, Assemblyman, I embrace it. I respect the role that this Committee is playing. I respect your responsibilities. We all have responsibilities to the people of New Jersey who we serve. And if I gave you the impression that I did not, I apologize for that.

Having said that, I think I've laid out the facts of why we made the decision when we made the decision. And I know there are a whole lot of newspaper articles about, "You did this, and you ignored it." We didn't ignore anything, Assemblyman. We had the facts; we made decisions based

on those facts. And given the same circumstances, and the same situation, and knowing no more than we knew then, I believe that we would probably make the same decision.

ASSEMBLYMAN CHIVUKULA: Thank you.

Thank you, Chairman.

ASSEMBLYMAN WISNIEWSKI: Thank you, Assemblyman.

Assemblyman Mainor.

ASSEMBLYMAN MAINOR: Let me start by saying, again, gentlemen, thank you for coming here today.

My question, I think, would most likely go to the Chief. Your men-- Is there any type of agreement, or any type of plan put into place, that your police officers will work with the local municipalities in cases such as this?

CHIEF TRUCILLO: Assemblyman, I mentioned the tabletops, the exercises we do in the law enforcement community. We very much work in cooperation with our partners. And because we're a State entity, and we work in all jurisdictions and counties within the state, we take that partnership very, very seriously. And we do work with the local entities throughout the state.

Just as an example, early on in the events leading up to the hurricane hitting our area, we were involved in assisting offices of emergency management in other counties with evacuations. And that is done through our participation in the State Emergency Management System. As I mentioned, we have a representative from our police department who is plugged into the ROIC in Trenton. And we also have our own Emergency Operations Center within Transit that handles those

requests that come throughout the state into the ROIC, and then the ROIC parcels them out to those entities within the state that can fulfill those requests. Transportation oftentimes comes to us and we provide the bus.

I hope I answered your question in that-- Do we get involved, do we have plans with local entities?

ASSEMBLYMAN MAINOR: Like Jersey City. Is there some type of relationship with the Jersey City Police Department, with the Hoboken Police Department, and the Bayonne Police Department?

CHIEF TRUCILLO: Yes. And I feel confident, Assemblyman, that if you were to ask the heads of all three of those municipal police departments about our involvement with them in the aftermath and during the hurricane, I'm confident that they would all tell you that we were engaged with them and we were supporting them, quite honestly, as they support us when we have any type of crisis.

ASSEMBLYMAN MAINOR: I only asked that because I worked that day and I didn't see Transit around. And we were in an OEM. And that's what made me -- triggered me to ask this question. Because there is no type of -- I don't want to say comradery -- but no one was working together. Everyone was doing their own thing.

CHIEF TRUCILLO: Pardon my interruption.

ASSEMBLYMAN MAINOR: Sure.

CHIEF TRUCILLO: Are you specifically speaking about Jersey City?

ASSEMBLYMAN MAINOR: Yes.

CHIEF TRUCILLO: Because Chief Comey -- I spoke to personally. Greg Kierce is the Director of OEM, and I was communicating

with him personally, as was my OEM. And I'm real proud of the supportive relationship that we have. Our officers were supporting their department during very difficult times in the aftermath of Sandy, where the city was without power. In addition, we worked with Greg Kierce to provide an area -- and we used the Liberty State Park parking lot of the light rail as a distribution center for Jersey City residents to come and get relief supplies. These folks were folks who were without power. And we coordinated with them to make that happen very quickly when we got the call to respond to that.

ASSEMBLYMAN MAINOR: Looking at this-- And no one thought that this hurricane was going to be like it was. But the only issue I come up with -- and I've noticed throughout the state -- is that even though we may have had that communication between departments, there needs to be something put in place -- a plan -- it needs to be more centralized. And the problem with that is -- always as the number one question: Who is in charge? And I'm on Law and Public Safety, and I'm the Chair. And I'm putting through a bill now that is going to require that when something such as this happens, the county prosecutor would then be in charge of the county and all departments that fall within that county. So this way he'll know exactly what's going on and manpower can be deployed wherever it's needed. Because at that point, all the cops -- I don't care if you're Bayonne, Union City, so on, so forth -- we're all cops, and we all want the same goal; at which point the State Police will also be involved so that this way everyone will know what is going on and there won't be a problem as to who is in charge.

Your department is in almost every city in the state. So how you would fall in would pretty much be something that would have to be worked out. But did you feel there were any issues that need to be put in place, now that we've learned from this, that you need to do?

CHIEF TRUCILLO: I think what I've learned is how important personal relationships are. During a disaster is not the time to get on a phone and have a conversation for the first time with a counterpart in another organization. I talked earlier about the amount of tabletops, exercises, full-scale exercises we do. And I'd just like to go back. When we do a full-scale exercise, Assemblyman, it's never just with the police component. It's with the bus folks, it's with the rail folks, it's with anybody and everybody who would be impacted by an event at this location. And that's why I proudly speak to the relationship with Director Kierce, and with Chief Comey, and with Prosecutor Gregory from Hudson County. It's the relationships -- so we understand. And when we have to support one another-- And I'm proud of the support in Hudson County that we've given, even to our counterparts in Hoboken -- Chief Anthony Falco and Director Jon Tooke. To the degree we can support municipalities throughout the state, we try and be good neighbors and good partners in every jurisdiction.

ASSEMBLYMAN MAINOR: I appreciate that, sir. I don't want you to think that I'm only talking about Transit. But I've noticed that even with Hoboken and Jersey City, their police departments may have been communicating, but there was not -- the resources weren't brought together to try to better the situation.

CHIEF TRUCILLO: I think, Assemblyman, your idea to foster and open those lines of communication to know who is in charge in different circumstances is a good one.

ASSEMBLYMAN MAINOR: I thank you, sir, again.

Thank you, Chairman.

ASSEMBLYMAN WISNIEWSKI: Thank you, Chairman.

Assemblyman Amodeo.

ASSEMBLYMAN AMODEO: Thank you, Mr. Chairman.

Executive Director, Chief, and Mr. O'Connor, great testimony today. Thank you for your honesty. It really gives me a means of confidence knowing that the knowledge that I see at the table in front of me works so well for the people in the State of New Jersey. And your experience certainly shows the great leadership we have with the team you put together, Executive Director.

A lot of questions were asked throughout the course of this hearing, and you've answered it in several means. And as I look into the future, one of your statements was that we can't repair as if it was yesterday. We have to look into the future. As we mitigate the issues that we were faced with -- the detrimental issues -- do you see the Federal government being our partners in helping us? Because a lot of that will be -- and I would assume -- capital costs. Because, like you said, a lot of the low-lying areas that had electrical gear -- that we now know a different elevation would need to happen. Do you feel the Federal government will be a good partner with us?

MR. WEINSTEIN: I'm hopeful that the Federal government will be a good partner with us. I will tell you that working it under the

Governor's direction-- I mean, he's our primary advocate with the Federal government. We were down in Washington last week. Our delegation is supportive of it.

We talked about the \$400 million in damage that was done that needs to be repaired. But in order to create the kind of resiliency and the kind of protection into the Transit system that we need, we estimate it's going to cost another \$800 million. And that's really just sort of a ballpark estimate. We haven't fine-tuned that. But elevating the level of substations so that we won't face the kinds of problems that we're having now in Hoboken, in Bay Head, at the Meadows Maintenance Complex. FEMA has a couple of sections of its statute which called for mitigation. We're hopeful to get through there. One of the suggestions that was made by one of my counterparts in the other agencies last week was that the emergency fund that was created under the recent Federal authorization for transportation-- They funded the emergency fund on the highway side; they didn't fund it on the transit side. So they're talking about the possibility of funding that. I believe that that would be helpful. But we're supportive of that. And I believe that we're going to get support in Washington. The Governor is working, I know, very hard to achieve that.

ASSEMBLYMAN AMODEO: Thank you, sir.

ASSEMBLYMAN WISNIEWSKI: Thank you.

Assemblywoman.

UNIDENTIFIED MEMBER OF COMMITTEE: Thank you very much, Chair.

Gentlemen, thank you very much for coming today. You've answered a lot of my questions, so I'm just going to give you a couple of

others. With the Meadows Complex -- and you're saying that you have to make some repairs -- were you ever planning to have another Complex now that you-- Now that it's flooded and you know it's going to flood, and there is that possibility -- you already know this now -- what-- Do you have a plan in your mind in the back of your head saying, "I think we should have another place to put these cars," and is there a possibility of doing something like that?

MR. WEINSTEIN: I don't think that there is a possibility of relocating the Meadows Maintenance facility, nor frankly do I believe -- at least at this point -- that there is a necessity to do it. I believe that we can build some resiliency in, and we're going to be looking at those. But, frankly, rail yards have been located in that area of our state for well over 100 years. Just within a stone's throw, Norfolk Southern has a yard; within a stone's throw, the Port Authority of New York and New Jersey has the PATH maintenance facility -- their primary facility. Not only is this our primary maintenance facility--

Something that I didn't make clear before, perhaps, but at any given time, there is probably 200 pieces of equipment at the Meadows Maintenance facility -- just in a normal course of the life of the railroad -- cars that have to be inspected, cars that have to be repaired, cars that have to be maintained. So that equipment is always there.

But we think there are some things we can do, and we're looking at them. I don't know that we have all of the answers at this point, but it may be a question of looking at larger flood control issues. In the Meadows there was a very complex -- I'm told by folks who follow this -- there is a very complex system of dams and dikes in the Meadows Complex

that was originally established back -- as a Work Progress Administration (*sic*) during the '30s that perhaps we ought to be looking at and seeing if that can be approved. I don't know. But I think it's unrealistic knowing how -- that we're going to relocate this.

Just to give you a sense, rail yards are not one of the sought after facilities in communities. I once tried to site a Motor Vehicles station, when I was Commissioner of Transportation, next to a State prison, and the community rose up in arms against it. I thought-- It was between a prison and a dump and they wouldn't allow us. So I think it's unrealistic to think that there is any place in the state where we could do that. We could make improvements to some of our other yards, but we're never going to have the capacity that we have at the Meadows Maintenance Complex.

UNIDENTIFIED MEMBER OF COMMITTEE: All right. Well, that being said, let me think of--

The cost of elevating the substations -- is that part of the \$700,000 (*sic*) additional -- or the \$700 million additional that you were talking about?

MR. WEINSTEIN: You know, I think in the ballpark it is. But the reality is we're going to go forward with it. I think we've concluded that-- I mean, for instance, our preliminary estimates tell us that the Mason Substation, which is the one in Hoboken that has been damaged-- To do an interim repair of that just so that we can get catenary power back is probably in about a \$6 million cost for a short-term. And to do a permanent replacement and elevate the substation so that it's above any imaginable flood plane -- flood intrusion -- is probably in the vicinity of \$25 million to \$30 million.

UNIDENTIFIED MEMBER OF COMMITTEE: And that money then comes from insurance money, or FEMA money, or State money, or tolls?

MR. WEINSTEIN: The additional money? I believe that our Board of Directors will be looking at this, Assemblywoman. And it's not inconceivable that some of our capital program priorities may change as a result of this storm event. I would frankly be surprised if they didn't.

UNIDENTIFIED MEMBER OF COMMITTEE: What's the average age of the cars that were damaged?

MR. WEINSTEIN: Average age, I don't know. But we had-- The largest number of cars that were damaged were our arrow cars, which are those silver things. They're electric cars; they're 35 years old. The newest ones-- And there were 230 of those that were damaged.

Just so you understand the damage, when the water gets up to basically the wheels, it jeopardizes the bearings. And both by our practice and by FRA regulation, those wheels have to be changed out because the bearings would be compromised. And that would have a draconian -- a drastic impact were the bearings to collapse -- fail during service.

There were about 88 multi-level cars, which are the newest cars in our fleet. They're lower to the ground because they're multi-level. And we had water penetration. The water sort of rose up, basically, to the same level. But it penetrated. Because they're built lower to the ground, it penetrated the actual sort of -- beneath the floor boards. And so there is a whole work-around that's being done on that. That's going to take some time. We had -- I don't know -- a half-dozen or eight or so of our new dual-mode locomotives, which are both diesel and electric, which we have the

bearing problem with. And we had actually a lot of diesel equipment -- diesel locomotives, I think sort of in the vicinity of about 50, that had basically the same issues. And there are-- It depends on each car. They have to go through full inspections. And part of the challenge in repairing those is two-fold. One is when the flood waters penetrated the Meadows Complex, it flooded an awful lot of our spare parts, and so spare parts that would normally be there had to be sent off. We're working with a couple of organizations and working with some freight railroads -- I think NS -- is it Norfolk Southern that's working -- that's sending; and the M&E railroad outside of Morristown. So we're working that. But getting replacement parts is a challenge. And in addition to that, because we don't have the substation at the Meadows Complex repaired yet and therefore have full electric power restored; and some machines, like wheel truing machines, were damaged as a result of the flood and they have to be repaired-- But we don't have our -- we don't have the full ability, even if we had the parts, to do the repairs that are necessary, because basically the place of doing those repairs was damaged and has to be repaired itself.

UNIDENTIFIED MEMBER OF COMMITTEE: That leads me into my next question. Who is doing the repairs? Are you bringing people in? Are you contracting out? Who is doing the repairs?

MR. WEINSTEIN: Both. I talked about the M&E railroad facilities outside of Morristown. They have supervision staff there; we have our own staff there. We have vendors who have agreed to up their production on the wheel sets that have to go in. Bombardier, the manufacturer of the multi-level cars, is actually working with us to work on repairs to those things. They're an outside contractor. What we're doing is

accessing, to the maximum extent possible, every resource that we can access in order to get the railroad, which is now at 92 percent, up to 100 percent.

UNIDENTIFIED MEMBER OF COMMITTEE: That was my next question. So you're at 92 percent. And when do you project to be at 100 percent?

MR. WEINSTEIN: I believe it's going to be months before we're there. Actually, rather than speculate on this -- and Kevin and I have had this discussion, and sometimes numbers get mushed up in my head. Kevin deals with it every day.

Kevin.

MR. O'CONNOR: Certainly.

Assemblywoman, what we're going to do is -- and it's not going to be, we go from -- as Jim said -- from 92 percent to 100 percent. It's going to be incremental as it goes along.

Assemblywoman Vice Chair Stender had asked about the Raritan Valley Line specifically. That's running at about 78 percent right now. That will go to 100 percent next week with the addition of a couple of equipment sets. And part of what also went on there is the equipment that was at the MMC-- We had to clear out some of that equipment at the MMC because the Raritan Valley Line, midday, goes to the MMC. That's where the equipment is stored to come back again for the evening rush hour. So we had to make room there, which we're in the process of doing this week, as well as getting equipment ready. So it's kind of a two-fold thing as far as getting it back. So after this week, we'll be at about 95 percent, and a couple of weeks later it will be about 96 percent. We're

anticipating about two months before we're 100 percent. But it will be incremental. At one point we'll be at 97, 98, 99 -- in that vicinity, Assemblywoman.

UNIDENTIFIED MEMBER OF COMMITTEE: So you're supplementing with buses?

MR. O'CONNOR: No, this is all with rail.

UNIDENTIFIED MEMBER OF COMMITTEE: You said you were supplementing with about 280 buses, and so you have additional drivers and you're hiring--

MR. WEINSTEIN: No. The supplemental rail service -- I mean, the supplemental bus service was in place, and ferry service -- we did ferry service also -- was in place basically while the railroad or portions of the railroad were not running at all. We believe that while the actual number of trains that we're running is not at 100 percent, we think that we have the ability to deliver most of the service to customers without providing bus service.

Having said that, we talked about -- for instance, the 126 bus in Hoboken, which goes basically from Hoboken to the Port Authority Bus Terminal. That is going to continue, and we'll throw as much service to that as we have to. But once PATH comes up-- A lot of the pressure on our system-- Just because of the nature of it, our customers and PATH's customers are the same customers in a lot of ways. And so when PATH comes back up, a lot of the pressure that our bus system is on and our train system is on is going to be relieved, which is clearly one of the reasons we're working so closely with them.

UNIDENTIFIED MEMBER OF COMMITTEE: Final question: This storm was devastating not only to New Jersey but to other states, one being New York. And that whole lower side of Manhattan flooded terribly and had to be evacuated, meaning that they evacuated-- Their evacuation routes were toward New Jersey. And if we're not capable of actually working at 100 percent -- getting people out -- what can we-- Are you looking at ways of making that better so that it's more effective? Because that's a lot of people coming toward New Jersey. What is their evacuation route if we're the first state or one of the states they're coming into? Do you have thoughts?

MR. WEINSTEIN: I will tell you that in past events, from blackouts to 9-11, and to other kinds of disaster situations, that New Jersey, in fact, has stood up as that evacuation route. I'm not-- I think it's going to be something that we have to evaluate as a region. But if our system is shut down, it's clearly not an option for evacuation for-- But if evacuation takes place in a timely basis, our system continues to be an appropriate place. I mean, we have the ability to move people. An awful lot of people who commute into Manhattan for work every day are New Jerseyans. It's sort of part of the lifeblood of the region. So I think that's one of the things that will be included in our after-action study and that our consultants will get to.

UNIDENTIFIED MEMBER OF COMMITTEE: Thank you very much.

MR. WEINSTEIN: You're welcome.

ASSEMBLYMAN WISNIEWSKI: Thank you, Assemblywoman.

Assemblyman Wolfe.

ASSEMBLYMAN WOLFE: Thank you, Mr. Chairman.

Executive Director, I have to admit, quite honestly, when I came to Trenton today I really had no idea what to expect. But I would say from the sincerity and the quality of the questioning from the Committee and also from your very expeditious explanations, I think we have a better picture, obviously, of really what happened and the decisions that had to be made.

I don't have a question; I just have a comment. I was very impressed in learning about the 12 to 15 hour turnaround time. I think that's something that most of us were not aware of in terms of making a snap decision. And also your efforts and your assurances in terms of reimbursement. Because I think as you were talking, and questions were being asked, my head was spinning in thinking about how we were going to pay for all of this. And I think that's a very-- You left us with some very good information, I think, that will be very beneficial in the future.

So I want to thank you. I think it was an excellent hearing.

Thank you, Mr. Chairman.

MR. WEINSTEIN: Thank you, Assemblyman.

ASSEMBLYMAN WISNIEWSKI: Thank you, Assemblyman.

Assemblywoman Caride.

ASSEMBLYWOMAN CARIDE: Good morning, gentlemen.
Thank you so much for being here this morning.

I'd like to echo my colleagues here. It has been very informative.

And also, as Assemblyman Ramos stated, I, too, was impressed with the light rail being up so quickly. I work in Union City, and my staff lives in Bayonne. So they were put off for a little bit, but they were able to get back to their normal routine as the new norm is now.

That being said, a lot of the questions I had here this morning you've managed to answer. One thing in particular that you did say was that you weren't looking to move your Meadows Complex. And, again, I understand. Having a junkyard or a rail car area is not the most attractive to many towns. But you commented about maybe doing something with regard to the dikes and berms along the Meadowlands area. Sandy proved how vulnerable those berms are. Little Ferry and Moonachie, in my district, flooded as a result of a breach there. It breached in six different places. Have you given that any consideration in your plans for the future as far as leaving your Complex there?

MR. WEINSTEIN: I was asked whether we had plans to move it or could move it. I don't believe that it's movable. I mean, I may be wrong about that. But I don't want to leave the impression that we've fully vetted this whole situation. We believe that there are-- Sort of at first blush, we believe that there are steps that can be taken to help insulate -- to help protect the Maintenance Complex from future surge flooding as we experienced in this superstorm.

We will pursue that. I mean, none of this stuff is going to be inexpensive. There is no clear funding source for it at this point. We have raised that issue with the FTA, and with FEMA, and before the United States Senate Subcommittee last week. But, I mean, there are no simple answers on this. And we're going to do our best to come up with viable

solutions. Anybody can come up with a sort of brilliant idea that is not doable. We need doable solutions, and we need solutions, frankly, that are implementable in the near term, not 20 years from now or 25 years from now, but in time for the next situation that we have.

ASSEMBLYWOMAN CARIDE: I appreciate your honesty when you were stating earlier that following Irene, your team got together and put together a plan so that it wouldn't happen again when you had cars stranded in Pennsylvania. I ask that when you do that now, following this superstorm, that if you do choose to leave the Meadows Complex there -- which, again, I agree with you; it's not like you can just pick up and move it to somewhere else -- you consider the fact that these berms are vulnerable, because it was proven in this storm. So if it happened once, it can happen again. I would hope that you would use this to implement a project that would prevent us from being without New Jersey Transit for a longer period of time in the future.

MR. WEINSTEIN: I don't know that I can give you the details, but I can assure you, Assemblywoman -- I can assure each and every member of this Committee -- that we will not be parking equipment at the Meadows Maintenance Complex in the face of a similar situation at any time in the future. (laughter) We are informed, and we will react. The railroad is an immense amount of professional and creative talent. We will find solutions that are implementable.

ASSEMBLYWOMAN CARIDE: Thank you.

MR. WEINSTEIN: Thank you.

ASSEMBLYMAN WISNIEWSKI: Jim, Executive Director, thank you for coming today and bringing your phalanx of advisers.

Chief, and Director of Rail Operations, among others, we appreciate you taking the time away from your responsibilities at New Jersey Transit -- some of which involve addressing the very issues we're talking about today.

I think to help inform the Committee better, it would be useful if you could share with the Committee any documentation or support you have in terms of the decision making about the Kearny Rail Yard. The reason I ask that question is, one of the individuals who will come up and testify after you supplied us with a Department of the Interior geologic survey map of the Kearny Rail Yard, which has a nominal elevation of 10 feet. And that same information shows us that the high tide, which was coincident with the storm, was 5.2 feet, with the National Weather Service predicting a storm surge of, at a minimum, 6 feet to 11 feet. So the high tide, plus the storm surge, puts the Kearny Yard under water. Your testimony was that, based on the information you had, that was only a 20 percent likelihood of happening. I'd just like to understand the data that Transit relied upon versus the data that we're being provided by individuals who wish to testify. Because it seems that perhaps one of the things we need to address going forward is what data gets relied upon. Because in your testimony there was an 80 percent likelihood that the facility would not flood, which meant that there was a 20 percent likelihood -- at least based on the information you had -- that it would flood. And going back-- It's always interesting and useful to look at it in a rear view mirror. There was a 20 percent likelihood that there would be \$120 million in rail damage that could have been avoided. So what we'd like to see is the information that Transit bases its information on -- or the decision-making process on.

MR. WEINSTEIN: We will provide that kind of information to you, Mr. Chairman.

ASSEMBLYMAN WISNIEWSKI: Okay. If there are no other questions from the Committee, we thank you for your testimony.

I would ask that if you have the ability to stick around for a few minutes, there will be some other individuals who will testify. It might be useful if you could listen to what they have to say.

MR. WEINSTEIN: I suspect, Mr. Chairman, I'm going to hear them at our Board meeting on Thursday.

ASSEMBLYMAN WISNIEWSKI: Maybe, maybe not. If you could stick around for a few minutes, I'd appreciate it.

MR. WEINSTEIN: Okay. I'd be happy to.

ASSEMBLYMAN WISNIEWSKI: Thank you.

I'd like to next call Dan O'Connell, United Transportation Union.

Just for fair warning: I'm going to put Janna Chernetz, Tri-State Transportation Campaign on deck; and Albert Papp, of the New Jersey Association of Railroad Passengers.

Dan, good afternoon.

DANIEL J. O'CONNELL: Good afternoon, Mr. Chairman.

My name is Dan O'Connell. I'm the New Jersey State Legislative Director for the United Transportation Union.

The UTU represents thousands of rail employees, train and engine service employees, both at New Jersey Transit and at PATH.

Mr. Chairman, I'd like to apologize. I don't have prepared remarks. When I saw this hearing listed, I thought you were just going to

be taking testimony from the agencies. If you'd like, I can submit it to you later.

ASSEMBLYMAN WISNIEWSKI: If you have written testimony, we'd love it. If there is anything you'd like to summarize and inform the Committee of, that would be great.

MR. O'CONNELL: Just a couple of things. We agree with you, Mr. Chairman, about holding the hearing to find out what did and didn't work well post Hurricane Sandy. We know that there are hearings taking place about utility companies and emergency response, and we certainly think that's the right and proper thing to be doing.

However, we've noted with concern negative comments when it comes to New Jersey Transit's response and Executive Director Weinstein's leadership. While everybody is entitled to their opinion, to criticize the Executive Director and NJT's management post Sandy, we feel, is wrong. Let's look at what we know. Sandy was the worst storm to hit this region. I have 38 years in the railroad industry, 13 as a locomotive engineer at New Jersey Transit. Previous hurricanes, snowstorms, and other weather events make what happened with Sandy unprecedented.

You heard today from the Executive Director about how after Hurricane Irene we put equipment in Morrisville Yard, and then due to flooding at Trenton Train Station we were unable to utilize that equipment. If New Jersey Transit had done the same thing in this instance, would they be subject to criticism again for that?

We agree with the Executive Director that storing the amount of rail equipment that NJT has is not easy. It's an issue of capacity; and also, as residents of New Jersey, with so many people in such a small area,

we're all aware of the NIMBY attitude. We also agree with him though, going forward, that infrastructure needs to be secured with the best available technology. A lot of New Jersey Transit's infrastructure was inherited from freight railroads. And while we've come a long way, I noted last week that Amtrak President Joe Boardman said, "If there is a silver lining to the damage that we had, a lot of equipment is 100 years old, and we can now look to upgrade that with the best available technology."

Having seen the pictures of NJT's equipment and infrastructure after the hurricane, I'm amazed at how quickly service was restored. NJT's management and workers deserve a pat on the back.

In closing, next to the public, our members were impacted by this storm the most. This is their livelihood, and they take great pride in the service they provide the residents of New Jersey. It's been hard for many of us to see the extent of the damage. It's also troubled us to see the Executive Director subject to this criticism. We know the Executive Director. Mr. Weinstein has served this state and its residents over many years, first as Transportation Commissioner and now as Executive Director at NJT. We know his concern for his agency and that NJT has come a long way under his leadership. We think that the second-guessing of him and his management team may be misplaced. Let's put back on the path to recovery New Jersey Transit, and make the necessary improvements to secure the system from future weather events.

And with that, Mr. Chairman, I'm finished.

ASSEMBLYMAN WISNIEWSKI: Thank you, Dan.

I just want to point out that I don't think anybody here on the Committee was being critical of Executive Director Weinstein. I think that

the issue is, this is the first opportunity many of us have had to ask questions. And clearly, a lot of the questions we've asked have been vetted numerous times in the press. But it's the first opportunity that we, as a Committee, have had to address the concerns. And we certainly appreciate his candor and his ability to be here.

But I just wanted to make sure this was not-- Certainly, I don't think it's been conducted in any way to be critical.

Assemblyman Chivukula.

ASSEMBLYMAN CHIVUKULA: Dan, I don't think we had-- I mean, you have your own-- You're entitled to your opinion. We were asking the questions because we have a responsibility. We are elected by the people, people who have been affected by this; whether there was second guessing done in the media -- and we're asking questions about that. And it is not proper for you to tell us that what we are saying is not right.

MR. O'CONNELL: Assemblyman, Mr. Chairman, I apologize for interrupting.

Those remarks were not directed at you, Assemblyman, nor you, Mr. Chairman.

ASSEMBLYMAN WISNIEWSKI: Thank you, Dan.

MR. O'CONNELL: If you recall, my first remarks were, "I think this hearing was proper and right going forward." But, believe me, there was not criticism of the Committee for holding this hearing.

ASSEMBLYMAN WISNIEWSKI: Thank you, Dan.

MR. O'CONNELL: Thank you.

ASSEMBLYMAN WISNIEWSKI: We appreciate it.

Janna Chernetz, Tri-State Transportation.

Janna, are you here? (affirmative response)

And then Albert Papp right after.

Albert, you can come up and be at the table and ready to go as soon as she is finished.

J A N N A C H E R N E T Z: Good afternoon, Chairman Wisniewski, members of the Committee.

Thank you for the opportunity to provide testimony today. I am the New Jersey Advocate for Tri-State Transportation Campaign, a nonprofit policy organization working for a more balanced, equitable, and environmentally sustainable transportation network.

New Jersey's transportation infrastructure got hit so hard by Superstorm Sandy that even over a month later the state is still reeling from its impacts. The damage was so extensive in New Jersey that it received national attention. Water flooded city halls, rail terminals, and tunnels; roads and bridges were swept away; utility infrastructure was destroyed. In terms of transportation infrastructure damage, rail took the brunt of the hit. In fact, New Jersey's entire rail system is still operating with storm-related delays today.

Lacking foresight, ignoring climate study recommendations, and failing to maintain existing infrastructure and a state of good repair is a costly combination for New Jersey Transit and New Jersey DOT. So far, New Jersey Transit's post-storm tab is \$400 million in damaged rail cars and equipment. How does New Jersey avoid this bill in the future? With sustainable transportation investments that reprioritize how the State spends its transportation funds.

The storm did not create new vulnerabilities in New Jersey's transportation infrastructure, it exposed existing ones. And what it showed is that the way New Jersey currently spends its transportation dollars hinders economic development and mobility. Even before Sandy, half of New Jersey's roads were identified as deficient by the DOT, and 10 million drivers a day drive over structurally deficient bridges in New Jersey. Meanwhile, the share of NJDOT's capital budget that goes to building new roads continues to increase each year from 4 percent in 2009 to 14 percent in the current year, while the size of the overall capital program stays the same. Now fewer of our taxpayer dollars goes toward maintaining our existing roads and bridge infrastructure.

Tri-State's first ask is for New Jersey to return to a fix-it-first strategy that emphasizes maintenance and repair of our existing infrastructure over construction of new and wider roads. Vulnerability assessments and resiliency upgrades for extreme weather events must be incorporated into fix-it-first goals. New Jersey should consider consulting with climatologists and transportation experts in other regions of the country regarding improving the resiliency of New Jersey's transportation and transit infrastructure.

As New Jersey rebuilds, the local and State agencies must increase transportation options. This leads me to Tri-State's second ask, which is building and rebuilding our roads with infrastructure that supports biking, walking, and transit. Places that have done this weather the aftermath of the storm more smoothly.

Tri-State's third ask is for adequate funding for New Jersey Transit. The resiliency of New Jersey Transit was tested, and it failed

largely because financing for Transit takes a back seat to other priorities. New Jersey has demonstrated a shrinking commitment over the years to Transit. In 2004, half of NJDOT's capital program was dedicated to Transit. However, this year, that percentage is a mere 36 percent. In addition, Transit does not have a dedicated source of operating money, resulting in hefty transfers from the capital budget every year. In just the past three years, these transfers have totaled roughly \$1.4 billion. The lack of dedicated funding for Transit has led to service cuts, increased fares, and the inability to maintain Transit infrastructure.

Superstorm Sandy reinforced the need for increased capacity and redundancy in our Transit system, which is Tri-State's fourth ask. To cancel access to the region's core project would have doubled cross-Hudson capacity. Similar proposals like Gateway must be given serious interagency and bi-state consideration. Buses, which carry more passengers each work day across the Hudson River than rail, deserve greater priority, and improvements can be put in motion faster than rail.

But none of this can be done without the proper funding, and that requires political courage. This is Tri-State's final and most important ask. New Jersey's Transportation Trust Fund continues to be overburdened by debt. And a political unwillingness to identify new and stable revenue sources remains the biggest road block to a healthy transportation system in New Jersey.

Federal help is needed for storm recovery, and Governor Christie is right to pursue that avenue. But to remain steadfast against increasing the State's gas tax -- which is one option to raise revenue -- hinders the State in its preparedness to move beyond Sandy. To maintain

New Jersey's infrastructure in a state of good repair, and to effectively upgrade the transportation system to address the challenges of climate change, New Jersey's elected officials need to muster the political courage to make the difficult choices that have been put off for too long. The Legislature must work to identify stable revenue sources, and even think outside the box, to ensure New Jersey's transportation infrastructure can withstand extreme weather events and ensure that the region's \$1.4 trillion economy keeps moving. But no option can be left off the table, and the State can no longer afford to avoid these decisions.

Thank you.

ASSEMBLYMAN WISNIEWSKI: Janna, thank you for your testimony.

Just on a couple of notes-- You and I agree, and I think a lot of people agree, that we, as a State, have chronically underfunded our transportation infrastructure, not only on the capital side, but on the maintenance side. And some of what we are dealing with as a result of this storm is a result of that lack of investment. And it is a -- correctly termed -- *lack of political courage* to address the yawning need for a new revenue source for transportation. I've long been an advocate for raising the gas tax. I'm open to other alternatives in order to fund transportation. But the reality is that without a funding source, what we are really doing is engaging in wishful planning. The current transportation capital program involves a reliance on General Fund revenue of nearly a billion dollars in a year or two. Clearly all of us who have been sitting here putting together budgets over the last couple of years know that that billion dollars is only available at the cost of cutting something else in the budget. We are not in a period of time

where we have overabundant revenues. And so this is a problem that will continue to face the State unless we engage in some serious, realistic transportation planning.

Questions from the Committee for Janna? (no response)

Thank you for your testimony.

MS. CHERNETZ: I appreciate it. Thank you.

ASSEMBLYMAN CHIVUKULA: Thank you, Mr. Chairman.

I know that nobody expected the damage that Hurricane Sandy would do. And the Executive Director provided a good overview of some of the steps they have taken. It's always easy to look in hindsight and what could have been, what should have been.

In your opinion, do you think-- What could have been done? And a climatological study is one thing which is long-term. You're looking at the long-term and seeing where the storm surges will occur and all of those things. But I think in terms of -- given the short duration -- whether it's 11, 12, or 18 hours, they need to react and shut down the system. And it does take a tremendous amount of effort moving the rail cars from one location to the other. I mean, what is your view on that? What could they have done differently?

MS. CHERNETZ: Well, from our perspective -- and this is something that we have been stressing for several years now -- is the way the transportation money is spent and invested. And we have been identifying this slow drift away from a fix-it-first to more money on wider roads. And what Sandy has done -- and I said this in my testimony -- is it exposed the vulnerabilities. And these things have been growing and growing because of our failure to properly invest transportation dollars.

And something that the Chairman said, as well, is our failure to identify new revenue sources and invest the money that needs to be invested to make sure that we can weather the storm better. And that's where Tri-State is particularly coming out on this position.

ASSEMBLYMAN CHIVUKULA: Thank you.

ASSEMBLYMAN WISNIEWSKI: Anyone else? (no response)

Thank you, Janna. I appreciate your testimony.

Mr. Papp, before you begin, I'd just like to have Joseph Clift come up and be ready at the dais. And after him will be James Raleigh.

Go ahead, Mr. Papp.

A L B E R T L. P A P P JR.: Mr. Chair, Committee, thank you for taking time during this hectic holiday season for availing advocates to take a shot at what is, obviously, a very, very contentious issue.

My name is Albert Papp. I am the Vice Chair of the 23,000-member National Association of Railroad Passengers, headquartered in Washington, D.C., and I am also President of the New Jersey Association of Railroad Passengers.

As Janna so adequately covered, there is a pink elephant in the room, and that pink elephant, basically, is funding. Where are we going to get the money to continue to expand our transit systems -- our road and rail? How are we going to maintain them? And how are we going to immunize them in the future against force majeure events such as Hurricane Sandy this year and Hurricane Irene last year?

As Vice Chair of Legislative Policy and Strategy for NARP in Washington and for NJARP as President here in New Jersey, I've had the opportunity to meet with our Senators, our Governor, and also many of our

State legislators in Washington. And I think there is a general consensus -- at least on a statewide basis -- that we, in New Jersey, need to take the lead. We need to bury our political ideologies.

It should be noted that both sides of the aisle, both Republican and Democrat, have not heeded the cries, for the last 20 years, of advocates to increase the gasoline tax in this state -- now the third lowest in the nation -- to provide sufficient funding for the expansion and maintenance of our transit system.

I enjoy reading about the Presidents. Last night, as an example, I went to see the movie *Lincoln* by Steven Spielberg. If none of you have seen it, it comes highly recommended. Run, don't walk, to your nearest theater.

On a basis of a book, I'm going through David McCullough's *Truman* -- very, very heavy book. It weighed two pounds. I almost brought it down on the train with me this morning. And two particular phrases stood out in that book that, I think, have applicability here. One is: "If you can't stand the heat, get out of the kitchen." And the one I'd really like to bring to your attention is, "The buck stops here." This Committee has been called upon countless times in the past to devise adequate funding solutions for New Jersey Transit.

Since I was the Chair of the Lackawanna Coalition in the late 1970s, all advocate groups have been calling for a stable, secure, and dedicated source of funding for the Transit system. Study, upon study, upon study show that the highway user does not fund his own infrastructure. Much money, both on the Federal and the State basis, comes out of the general funds. The model is broken; it's time to change it.

This Committee can be the catalyst to make that change. And I would ask you now, if Hurricane Sandy was not a wake-up call, what more do you and do we as citizens of this state need to say, "Okay, we're going to spend the money. We're going to make the break with the past. We're going to go boldly into the future where no state legislature has gone before." Please take this under active consideration as you deliberate the effects of this devastating storm on our state.

And I thank you and wish you all a very, very happy holiday.

Thank you.

ASSEMBLYMAN WISNIEWSKI: Thank you very much for your testimony.

Mr. Clift.

J O S E P H M. C L I F T: Good afternoon. I just realized it's afternoon.

I should say first that I'm a member of the New Jersey Association of Railroad Passengers, the Lackawanna Coalition, and the Empire State Passengers Association. But I'm speaking today solely for myself, just to absolutely clarify. You should have in front of you my prepared remarks.

I speak to you today as an advocate for better, more cost-effective regional rail service, especially the cost-effective part. I'm a past director of planning for the Long Island Rail Road. The last time I talked to you was during the 30-day hold on the ARC project in September of 2010.

I'm coming to you today to plead with you, because you're the Transportation Committee, to ask hard questions and settle for nothing less than complete and factual answers regarding the causes, remedies, and cost

of the damage done to transportation infrastructure by post-hurricane Superstorm Sandy. And what I heard today makes me think that you're asking for follow-up, back-up. That's very critical.

A key element of affordably improving the transportation -- the future performance of our regional transportation system is an honest, thorough, after-action analysis of what went right and what went wrong -- without any limitations. That means every decision-maker and everything should be fair game. The important issue here is finding out what needs to be done to improve in the future. Please don't settle for incomplete information or spinning of facts. Please do not allow this issue to become partisan. This is about management of resources, which is a nonpartisan function.

You have an excellent staff at OLS to help you out on this. They're very knowledgeable; really great people. And please do not take my request in any way diminishing the efforts by thousands of employees across the state and the region to repair storm damage. This is about working smarter as well as working harder.

I've listed five items here that I think should have special consideration. My belief, from my past experience and also listening over the last six weeks to the buzz within the advocate community, within the media-- A lot of the damage caused in these five issues was avoidable. In the first Amtrak tunnel flooding-- You don't have anything to do with owning Amtrak. But without Amtrak, you have a real problem. You can't get into New York. It's critical. I have been maintaining since last March that New Jersey Transit needs to spend more money on the corridor. Despite the fact that they're a renter, they're a key user. Nine out of 10

people who travel on the corridor into New York are on New Jersey Transit trains.

If you look at the information that was -- and I just have one copy here. I can provide it to your staff. But in the testimony last Thursday by the Amtrak President Joe Boardman-- He distributed a package here, and it shows that the West Side Yard in New York -- the Long Island Rail Road West Side Yard -- was the reason that the Amtrak tunnels flooded -- what they call the North River tunnels, what you would call the Hudson River tunnels. This is an avoidable situation. It's not the 100-year-old tunnels that flooded, it's a 25-year-old add on that was not properly set up to avoid flooding in the tunnels.

The second item: PATH tunnel flooding. And as was mentioned before, New Jersey Transit and PATH are wedded at the hip for a lot of people. Right now, because Hoboken Terminal is not in operation, there are real problems for people coming into Hoboken. And they had their tunnels flooded. I thought after 9-11 that the downtown tunnel -- World Trade Center tunnel -- was hardened. I made the assumption -- and you know what they say about the word *assume* -- that that included natural events as well as man-made events. Clearly, the water that went into the World Trade Center superblock ended up in the tunnels. And like I said, I just assumed that they had made provisions for that. They worried after 9-11 -- you probably know this -- that the World Trade Center flood wall -- the bathtub it sits in -- would break and the tunnel under the River there would flood. So that needs to be looked at. Even though you don't control it, you're actually half of it. And they need to be taken to task on this. With Hoboken, 20 years ago -- I have a colleague who used to commute in

-- that PATH station was flooded 20 years ago. And he says they said they had flood-proofed it with flood gates, etc. I don't know the details. But once again, get the information and let's find out what happened.

Third item: PATH passenger railcars. It's a brand new fleet, \$800 million for 350 cars; 50 of those were flooded right next door to the Meadows Maintenance Complex. And the same questions apply. What information did they have that caused them not to move those cars? They don't have the same railroad that others do. They would have to have moved off of their property, possibly. But those 50 cars, which are basically brand new, were flooded. That only came out through the media. The Port Authority has been quite reticent about any details on their situation.

Fourth item: New Jersey Transit right-of-way tree and brush clearance. When I was at the Long Island, we deferred work on cutting back trees and brush along our railroad. When we started to do it, we were cutting back so much that towns along the Port Washington branch were complaining that we were cutting into people's yards, we were cutting down their trees.

But if you've cut a tree down in advance, it costs you money -- same issue really with utilities, I would imagine. If you do that work in advance, you have to pay for it. But then they're not there to fall down. And with catenary -- the overhead wires -- it's even more important, compared to third rail, that trees be managed up front.

And then the last item: New Jersey Transit rolling stock. Basically one out of four damaged at both Meadows Maintenance Complex and Hoboken. Let me take a moment to focus -- I'll try to be brief because some of that's come out today. I made the comparison between the MTA

and New Jersey Transit. It's not to say that the situations are the same. They're very different, clearly. But there are shore line communities -- Long Beach, on the Long Island Rail Road; Far Rockaway, on the Long Island Rail Road; Coney Island is one of the largest yards for the Transit Authority. They only lost 22 pieces of equipment. Most of that, in fact, was Metro North up on the Hudson, way up at Croton. But they lost a lot less equipment. And if you look at the attachment here, this is -- and I pulled this -- I was actually following Sandy. It drives my wife crazy -- my engineering background -- you get into details. But if you look online at what's going on with Sandy, you start looking around the region-- And this is off the USGS quadrangle for Jersey City. And I pulled out flood charts -- Kearny Point flooding, which is about a mile-and-a-half south of Meadows Maintenance Complex -- and with the National Weather Service at Mount Holly forecast, I thought it was Sunday morning at 7:00 a.m. -- saying the surge would be 6 feet to 11 feet. If you assume 10 feet in the yard -- and there's actually -- on the second page you will see I drew arrows -- there are 10-foot contour lines going through the yard. Some of the yard is above 10 feet, some is below. But my conclusion was -- and you always have to take the worst case, I believe -- is that they were forecasting up to a 6.2 foot surge. Now, if the high tide doesn't occur right as the storm arrives, that number is lower. If it were to arrive at low tide it would be 6 feet less. But there was a certain amount of simultaneous arrival. The tide was -- I think the peak was at 9:00 p.m. I don't know when Sandy hit right there at Kearny Point, but it was sometime close to that. And so my assumption here is that if you had this information -- even if you weren't sure, you would move your equipment to other locations. And Hoboken flooded --

this colleague of mine, Orrin Getz, who has commuted through -- from Rockland County through New Jersey to Hoboken for 25 years -- said it had flooded a number of times. Maybe not the West Yard, but the facility itself. They would go in, and then the trains would have to go back because they could not literally get off the trains. And with the forecasting of Superstorm Sandy, and all that information, one might assume that the past history -- 35 years -- I think Meadows has been around for close to 35 years -- that's really not much history to base future-- But what do they say?: Past experience is no predictor of future situations.

And last: If you take the 80 percent to 90 percent not flooding, which is 10 percent to 20 percent flooding, that's a one in five bet you're making that things won't flood. I respect the fact that they thought they made the best decision they did. I think part of the problem is, they may have been fighting the last war, which was the flood last year where Trenton flooded. That's a one-time event that I don't think would be predicted this year.

The bottom line here is -- and it's not just the cars, it's the whole picture. Somebody -- and on the Assembly side it's you guys -- you folks. I really hope that with your staff you go and ask difficult questions not just of New Jersey Transit, but the Port Authority and Amtrak. Because if we don't learn from the past, we're going to have two things happen. We're liable to repeat it in the future, and we could spend money on the wrong things. And Executive Director Weinstein said we don't know the source of the money. Spending money wisely, at least, will reduce that requirement.

Thank you.

ASSEMBLYMAN WISNIEWSKI: Thank you very much. Your testimony is very good. And I appreciate the documents you submitted. As you know, it at least formed the basis of one of my questions for Executive Director Weinstein.

Any questions?

Assemblywoman Riley.

ASSEMBLYWOMAN RILEY: I just have one. It said that you came here in 2010 regarding the ARC project. Were you in support of that?

MR. CLIFT: Not as designed at that time. No, I was not. And the main thing I said that day, which put me on NJN's -- with your Chair -- *On the Record*-- One of the things I said was that the Feds aren't going to bail New Jersey Transit out on this. They can't afford to. That was one of the points I made that day. There are limitations on the Federal side. And making exceptions for any given situation sets a precedent that is difficult to--

ASSEMBLYWOMAN RILEY: So you weren't in support because of the cost. But would you have supported the project if we could have afforded it?

MR. CLIFT: No.

ASSEMBLYWOMAN RILEY: Okay.

ASSEMBLYMAN WISNIEWSKI: Any other questions? (no response)

Thank you for your testimony.

Mr. Raleigh.

JAMES T. RALEIGH: My name is Jim Raleigh. You've seen me at a number of other functions. I want to make it clear that I'm speaking as an individual with quite a bit of experience.

I would like to answer the last question. When Governor Christie cancelled the project, he said it was out of control with money and it went to the wrong place. That was my position.

I didn't come with prepared notes today. I've made some simple notes. I prepared a three-part chart based on the information I had before I was available at this meeting, and was trying to-- I'm glad to have heard what I've seen here today.

I also share the Chairman's frustration in not having more participation from Commissioner Simpson. But I would like to point out that we've gone for quite a lengthy time just on the transportation issues.

And there are other issues. What about the highways and the highway restoration to the coast, and the damage that was done there besides the utility stuff?

ASSEMBLYMAN WISNIEWSKI: Well, it would have been good to have Commissioner Simpson here to ask questions about it. But obviously he chose, or someone chose for him, that he should not be here.

MR. RALEIGH: I understand.

But the other point I want to bring in, in terms of his responsibility in the Turnpike, is the connection with the Port Authority, all of our freight lines, and our shipping. When there are 200 containers blown off of the storage yards and over the Turnpike, he's got a bigger responsibility than we just identified. I'm sorry for harping on that point, but I'm going to get back to a couple of more.

ASSEMBLYMAN WISNIEWSKI: Sure, please.

MR. RALEIGH: The point of the three-part picture was to work with the data I had to show that at 6:00 on Sunday, Reuters found a source that said at least part of the Meadowlands would flood. It also said Hoboken would drastically flood. I don't know. You asked the question: What did New Jersey Transit have? I don't know.

But the middle picture is hard to read because I have a cheap printer. But the blue is an estimate of the surge. I don't know how this data was derived. I'm very-- I'm familiar with a lot of satellite imaging and electronic mapping. But I specifically made the lower right insert to show that the Port Authority -- excuse me, the surge went over the World Trade Center construction site.

Before I go into any more detail on that, I unfortunately have to go back to point out some other shortcomings. Last December I presented to the New Jersey Transit Board, for the second time, a three-part picture which said, "What has been done to avoid a repeat of this New Jersey Transit/Amtrak Transit center event?" I'm referring to the flooding. The picture shows Septa cars abandoned in the flood. It shows no New Jersey Transit cars and no Amtrak cars. But this flooding took Amtrak out of business, Washington to Boston, for seven days.

When I testified about this -- and I followed up again with my guess as to what happened -- I said this problem is a New Jersey problem. Who is responsible for stormwater management? I think it's our Department of Environmental Protection. So my question has not been answered. What has been done to avoid a repeat of the flooding of the

Trenton Train Station by the Assunpink Creek? I'm sorry to bring up unpleasant past details.

One of the things that I didn't find comfortable in today's hearing was how fast service was restored for various organizations, various towns, and how slow we were to get alternate bus service when we didn't have Gladstone working. So not that that is going to be very enlightening as to what went wrong, but it's certainly one of the things that has made a number of New Jersey riders questioning whether they should trust New Jersey Transit.

On the bigger picture, the modeling of the Meadowlands is probably woefully out of date because we fill it with so many toxic dumps. It is not the sponge that it used to be. Now, in other projects that weren't mentioned -- is we have a significant effort, working with Amtrak, to improve from Trenton to New Brunswick. As Joe mentioned, the NEC is from Trenton to New York -- affects 80 percent of New Jersey Transit riders (indiscernible) and so on. So there is a lot that needs to be done.

Let me wrap up very quickly. We do not have a proper partnership in the states. When you look at when Mayor Bloomberg told people to evacuate Zone A and Zone B, and how many hours later they decided to evacuate Hoboken-- Who had to do it? The Mayor; not the State, not New Jersey Transit.

So the lower right picture is to say that this affects New Jersey's involvement in the financial center, and it came back very late. And as has already been mentioned, Hoboken still isn't back.

So I want to close by saying this is a tremendous opportunity to advocate for the third rail tunnel to New York -- to Penn Station -- with Federal funding, with Port Authority funding, and recovery funding.

Thank you.

ASSEMBLYMAN WISNIEWSKI: Mr. Raleigh, thank you for your testimony.

Any questions from the Committee?

UNIDENTIFIED MEMBER OF COMMITTEE: Thank you very much. I've enjoyed your testimony.

MR. RALEIGH: I didn't say it for you to enjoy; I wanted you to listen. (laughter)

UNIDENTIFIED MEMBER OF COMMITTEE: I did listen to you. As a teacher, I like to listen to things that I enjoy. (laughter)

That was an interesting closing about the Mayor to Mayor though. Are you implying that the Mayor of Hoboken should have evacuated sooner?

MR. RALEIGH: I'm saying the State should have issued evacuation orders just like the Governor said to evacuate Atlantic City. We should have been looking at the whole state, the whole watershed.

ASSEMBLYMAN WISNIEWSKI: Thank you.

Seeing no further questions, gentlemen, thank you for your testimony.

I'll just note in closing that we've touched upon the rail tunnel to New York City. I certainly understand the opposition to the rail tunnel. Of course, the Governor sided with the opponents and canceled the tunnel. It's going to be a decade or more before we even have a possible

opportunity to have a new rail tunnel. And I think it falls into the category of the perfect being the enemy of the good. A rail tunnel would have been better than no new rail tunnel.

With that, the meeting is adjourned.

(MEETING CONCLUDED)